

Coconino County
Finance Department
Special Districts Coordinator
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April 4, 2005

Re: Hashknife Trail County Improvement District Follow-up to Community Meeting Held April 3, 2005

Dear Hashknife Trail County Improvement District Member,

Thank you for attending the community meeting to discuss the status of the Hashknife Trail County Improvement District. For those of you that could not attend the meeting, this letter serves as an update. This letter also requests that you take two actions, which are described below. Attached to this letter is the schedule, which I handed out at the meeting.

District members raised several issues at the meeting:

## Issue #1: Process and Schedule

I was asked by Supervisor Taylor to investigate the options for expediting the process. Under "normal" timeframes (which assumes a protest period of twenty days but no protests actually being filed), the schedule indicates a notice to proceed to construction being issued in October 2005, which translates to construction in summer 2006. I discussed options with the District's bond counsel this morning and he indicated the ability to expedite the process through two changes:

- The elimination of the protest/objection period if <u>ALL</u> property owners sign a waiver indicating approval for eliminating the protest/objection period, and
- The reduction of the cash collection period. Generally forty (40) days is allowed for the
  cash collection period but this can be reduced if <u>ALL</u> property owners agree to a limited
  timeframe.

Attached is the waiver that would need to be signed by ALL property owners to expedite the process. By signing the waiver, each property owner is waiving the right to protest or object during the protest period. By eliminating these periods, the process can be moved up approximately twenty to forty days. In addition, the waiver reduces the cash collection period to ten days from the traditional forty days, thus reducing the timeframe by approximately thirty days. The cash collection period is the period of time allocated for property owners to pay the assessment off upfront rather than financing the payments over a ten-year period. The waiver does not eliminate a property owner's option to finance the assessment payments over ten years, but you must decide within ten days if you want to pay off the assessment upfront or finance it.

If ALL property owners do NOT waive the right to protest or object or to reduce the cash collection period, then the project (assuming it moves through the process) will be constructed in summer 2006.

With regard to the protest and objection process, if protests and/or objections are submitted within the protest/objection period, then the Board of Directors will hold a hearing to review the protests and/or objections. The Board of Directors will determine if the protest or objection is valid based largely on the benefit gained by the property owner from the improvement. In most cases, protests and objections are denied if a benefit will be gained by the property owner from the improvement.

<u>Action Needed:</u> Please review the attached waiver. If you have questions, then please call me. If you agree to waive your right to protest or object and reduce the cash collection period, then please sign the waiver and return it in the enclosed envelope. If you do not want to waive your right to protest or object or to reduce the cash collection period, then please indicate that to me in writing.

## Issue #2: Assessment Methodology

District members raised questions and concerns regarding how the assessment is applied to the property owners. The District Engineer is responsible for determining the most fair and reasonable approach to assessing each of the property owners in the district. Attached is a spreadsheet that shows the Assessment calculated based on four possible methods – per parcel, per acre, and two different combinations of the parcel and acreage methods. The examples shown on the spreadsheet provide you some understanding of the impact of various approaches to the methodology. The Engineer's Estimate was increased \$15,315 to reflect additional aggregate base required for the road shoulders, construction of the pedestrian gate, and modifications to the road markers.

Action Needed: We request that you rank the example methodologies shown on the spreadsheet on the salmon colored sheet enclosed in this mailing. Please fill out the enclosed sheet that allows you to rank the preference of the assessment method described above as Options 1, 2, 3, or 4. The District Engineer will take your input under advisement as he prepares the assessment methodology for the Board of Directors' approval.

## Issue #3: Removal of a large tree that is within the right-of-way

After review, the District Engineer determined that the tree did not have to be removed.

No action needed.

## Issue #4: Installation of a gate at the cattle crossing

The engineer will include a 6' gate to allow for pedestrian access along the south side of the cattle guard in the engineer's estimate and plans.

No action needed.

<u>Issue #5: Replacement of existing wood road markers with steel road markers along the curve</u> in the road

The engineer will include the replacement of the wood road markers with steel road markers in the engineer's estimate and plans.

No action needed.

As noted above, Items 1 & 2 request a response to the proposed remedies to issues raised at the meeting. Please use the enclosed pre-addressed envelope to return your preferences regarding the assessment methodology, to return the waiver (if desired), and to share any further comments. Clearly the key issue is the assessment methodology so please respond to Item #2 as promptly as possible. The District can only expedite the process if these issues can be resolved in a timely manner. If the resolution takes longer than the time allocated for the protest period and the protest notification period (an additional ten days) and the time allocated for the cash collection period, then pursuing expediting the process is not beneficial to the current schedule. The Board of Directors is scheduled to approve the Resolution of Intention on April 19, 2005 at 1:15pm at the County Administration Center, 219 E. Cherry in Flagstaff. This is a public meeting, although a not a public hearing, and you are welcome to attend.

I realize that these are complicated issues so please do not hesitate to contact me at 928-779-6576 if you have any questions or want to discuss the options or waiver.

Sincerely,

Lucinda Andreani Special Districts Coordinator